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November 10, 2003

VIA HAND DELIVERY

Ms. Victoria Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

**Re: Finance Docket No. 34284 -- Southwest Gulf Railroad Company --
Petition for Exemption from 49 U.S.C. § 10901 to Construct and
Operate a Rail Line In Medina County, Texas**

Dear Ms. Rutson:

Southwest Gulf Railroad ("SGR") hereby offers its comments on the Preliminary Cultural Resources Assessment ("Cultural Assessment") prepared by your office and circulated for comment to SGR and other interested parties, including the Texas Historical Commission, the Comanche Nation, the Cherokee Nation and the Kickapoo Tribe on October 10, 2003. Recognizing that this is a preliminary Assessment, SGR believes that the Cultural Assessment, which was based on the review of historical records and two separate field surveys, is an excellent starting point for the Section 106 process. SGR stands ready to supply to SEA and the Texas Historical Commission whatever information and cooperation may be needed to complete that process.

The rail line at issue would extend seven miles over a single track between a quarry that would be developed by Vulcan Construction Materials, LP, an affiliate of SGR's corporate parent, and a UP rail line near Dunlay in Medina County, TX. SGR has identified a preferred route for this line based on its assessment of several key factors, including the number of streams that would be crossed, the number of landowners impacted and operational efficiency. In each of these respects, the preferred route has advantages over the alternative routes that were considered at an early stage in SGR's planning, but rejected by SGR. SGR understands that SEA is preparing a Draft Environmental Assessment ("EA") with respect to the SGR proposal.

SGR notes that the Cultural Assessment identified and described 16 potentially significant 19th century homes, ruins and cemeteries in the vicinity of SGR's preferred route and the three alternative routes, as well as three additional 20th century residences that are more than 50 years old. The eligibility status of these resources relative to the National Register of Historic

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Places also was identified, and photos of all or most of the structures were supplied. Based on the information developed, the Cultural Assessment correctly finds that the preferred route would potentially impact the fewest of these resources relative to the alternative routes. Further, the Cultural Assessment also properly concludes that no such impacts would be direct, i.e., the construction of the rail line would not require the removal of any of the identified resources or otherwise physically impact those resources. Rather, the potential impacts, if any, would be indirect in the form of aesthetics, view, vibration and noise. The resources that might sustain any such indirect impacts are identified for SGR's preferred routing and for each of the alternatives, and again the Cultural Assessment properly shows that SGR's preferred route would impact the fewest identified cultural resources.

With respect to impacts, we note that subsequent to the release of the Cultural Assessment, SEA circulated on October 23, 2004 the results of a vibration study that it performed to determine the impact of vibration resulting from rail construction and operation on cultural resources in the vicinity of the proposed rail line. The study determined that vibration impacts would extend no further than 45 feet from the tracks, and that no identified cultural resources were located within that impact area with respect to either SGR's preferred route or any of the alternatives. The historical structure closest to SGR's preferred route is the Henry Schweers House, which is 250 feet from the line and thus outside the vibration impact area.

The Cultural Assessment identified aesthetics and dust as other potential indirect impacts on cultural resources. With respect to aesthetics, SGR's line will not be significantly elevated above ground level at any point. Further, SGR anticipates that existing grasses, scrub and small trees in the area would be retained to parallel the line, offering a visual barrier. It also bears note that the line will be used infrequently throughout the course of any given day, with only up to four trains (two in each direction) anticipated for the foreseeable future. Further, SGR does not anticipate that dust will be a significant issue. SGR is prepared to employ dust suppression measures during construction of the line. Based on Vulcan's experience in the rail shipment of aggregate, the product of the Vulcan quarry, SGR does not expect that dust will be a problem during rail operation.

As to noise impacts, SGR understands that SEA is conducting or has conducted a noise analysis relative to the line. Given the low density of train activity on the line, and SGR's planned use of welded rail, SGR does not anticipate that noise will be found to be a significant issue with respect to cultural resources impacts.

The Cultural Assessment correctly describes Vulcan's preservation efforts in the area relative to the Williams Schweers House and the Henry Schweers House, as well as related outbuildings and a cemetery. Vulcan has donated the William Schweers home identified in the Assessment to the Schweers Historical Foundation and intends to donate the Henry Schweers home to that Foundation, but has not done so to date. The Foundation will be developing an architectural and management plan for these properties and Vulcan is also offering other support to that Foundation.

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SGR is prepared to work with SEA and the Texas Historical Commission to provide whatever information it can that may be useful to the Section 106 process. In that regard, SGR trusts that the process will move forward as expeditiously and efficiently as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "David H. Coburn", with a long horizontal flourish extending to the right.

David H. Coburn
Attorney for Southwest Gulf Railroad
Company

cc: Ms. Rini Ghosh
Ms. Pam Opiela
Ms. Jaya Zyman-Ponebshek
Dr. Darrell Brownlow